

TESTIMONY: HB 4714

July 28, 2013

Randy Block, Director

Michigan Unitarian Universalist Social Justice Network

I am grateful to the Senate Government Operations Committee for providing an opportunity for the public to comment on draft 3 of the Senate Substitute Bill for HB 4714. My testimony draws from my experience as a religious leader and as a human services professional. Currently, I am Director of the Michigan Unitarian Universalist Social Justice Network, a statewide network of Unitarian Universalist activists from 27 UU congregations. My Unitarian Universalist denomination believes that all people deserve to be treated with respect and dignity. It joins with a wide range of faith organizations that affirm that access to health care is a moral imperative, particularly for low-income persons.

As a administrator of services for older persons for over 30 years, I have specialized in informing older persons about their benefits under Medicare and Medicaid and in managing health and human service programs. These are my comments about Draft 3 of the Senate Substitute for HB 4714:

1. Passage of HB 4714 is morally the right thing to do. It will bring access to health care to 470,000 low income Michigan residents;
2. Expanding health access for more uninsured people that provide emergency room alternatives and incentives for healthy living will help control health system costs;
3. Enrollees with incomes 100 - 133% of poverty will be required to regularly deposit up to 5% of their income into a Health Account to share the costs of their health care. For an individual this requirement will mean paying up to an additional \$64/month. However, low income persons often face periodic financial crises such as paying property taxes, auto repairs or recovering from a fire or natural disaster. These expenses may make it impossible, to pay into a Health Account. The law makes no provisions for assuring that access to health care will not be interrupted due to inability to make co-payments. Financial challenges will become more acute with a co-pay of 7%. Co-pay policies will need to be evaluated to assure that they are affordable to consumers, both at 5% and 7% levels.
4. The Healthy Michigan program provides a pathway off of government dependency. If individuals are able to maintain their health insurance as they grow their income, they will eventually be able to secure tax credits to participate on the Exchange. We do not want barriers, such as unaffordable co-pays, to interrupt with this pathway to independence.

Concluding Remarks

Adopting a smart and compassionate Medicaid expansion makes good sense from both a moral and an economic standpoint. MUUSJN urges Michigan legislators to adopt HB 4714 to expand health coverage to low income Michigan families. At the same time, this legislation needs to assure that individuals and families continue to have access to health care when they experience financial hardships while making cost sharing payments.

For more information, contact Randy Block, Director, Michigan Unitarian Universalist Social Justice Network (MUUSJN) at 248-549-5170.